



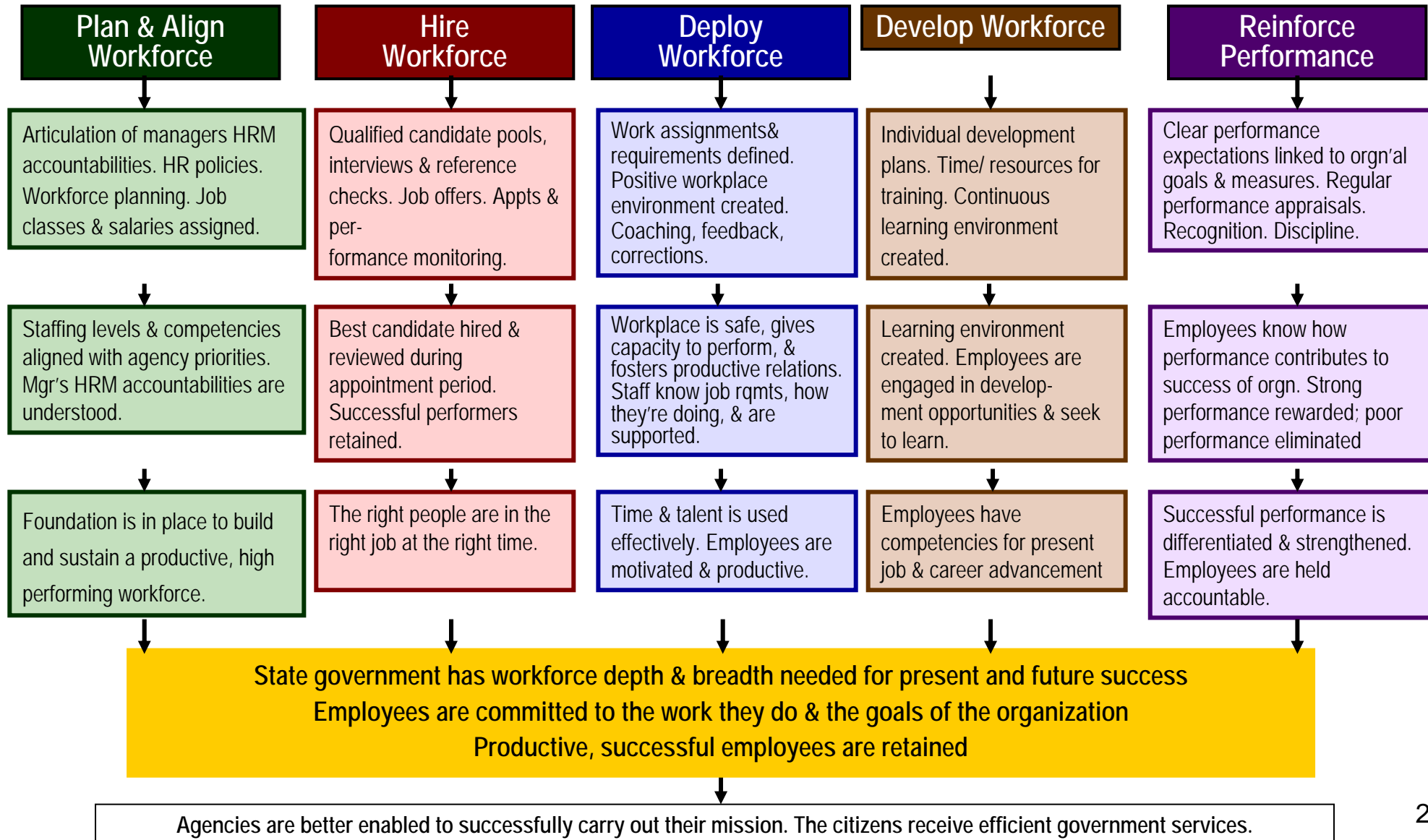
State of Washington
Department of Revenue

Human Resource Management Report

October 15, 2006

Logic Model

Managers Accountability for Workforce Management



Human Resource Management Report

Standard Performance Measures

Plan & Align Workforce

- Percent current position/competencies descriptions
- Percent supervisors with current performance expectations for workforce management

Hire Workforce

- Time-to-fill funded vacancies
- Percent satisfaction with candidate quality New Hire-to-Promotional ratio
- Percent turnover during review period

Deploy Workforce

- Percent employees with current performance expectations
- Employee survey ratings on "productive workplace" questions
- Leave usage (sick, LWOP, unscheduled leave)
- Overtime usage
- Number & type of non-disciplinary grievances

Develop Workforce

- Percent employees with current annual individual development plans
- Employee survey ratings on "learning/development" questions

Reinforce Performance

- Percent current performance evaluations
- Employee survey ratings on "performance accountability" questions
- Number/type of disciplinary issues, actions, appeals disposition

Ultimate Outcomes

- Turnover rates and types (e.g., retirement, resignation, etc.)
- Turnover rate of key occupational categories and of workforce diversity
- Employee survey ratings on "commitment" questions

Measures to add in the future:

Current workforce plans that align staff with business priorities

Safety and Workers Compensation measures

Competency gap analysis measure

Recognition/reward measure

Others to be determined

Plan & Align Workforce |

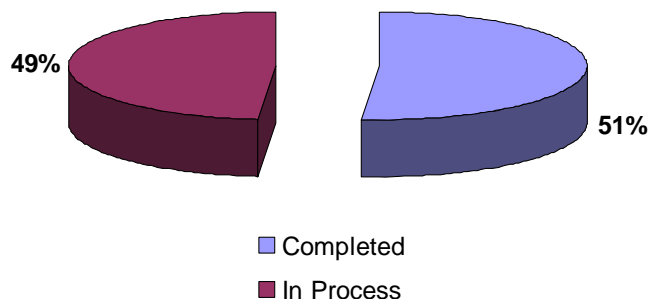
Overall foundation & management accountability system to build & sustain a high performing workforce

Performance Measures

- Percent current position/competency descriptions
- Percent supervisors with current performance expectations for workforce management

Agency-wide Percent Current
Position & Competency
Descriptions

51.3%



Analysis:

- Developed competencies by occupational category to ensure appropriate competencies and levels were used consistently throughout the agency.
- Competency development has been completed for 87% of the agency's occupational categories.
- Completion of competencies by occupational category will result in consistent, accurate position descriptions that can be produced quickly and aid in effective recruitment and hiring.

Action Steps:

- Conduct training in the use of the new position description form.
- Finalize all position descriptions with competencies by December 31, 2006.
- Create a comprehensive intranet page that will provide tools and resources for completing the position descriptions.

Plan & Align Workforce |

Overall foundation & management accountability system to build & sustain a high performing workforce

Performance Measures

- Percent current position/competency descriptions
- Percent supervisors with current performance expectations for workforce management

Percent supervisors with current performance expectations for workforce management

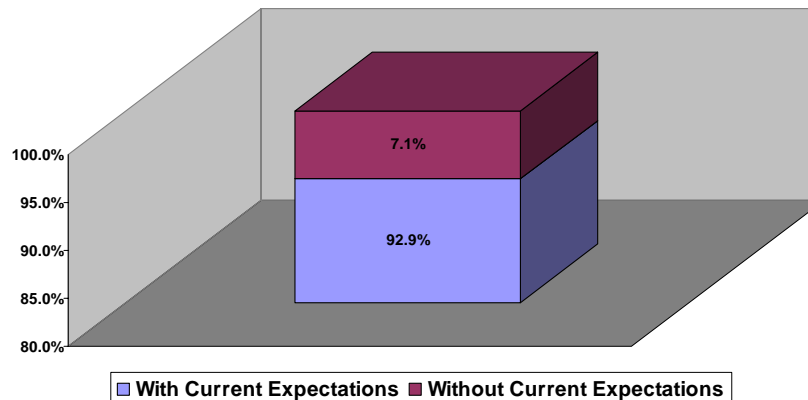
92.9%

Analysis:

- Data does not include exempt supervisors.

Action Steps:

- Provide training to supervisors and managers through our Performance Development Plan training in FY07.
- Include exempt supervisors in future data.



Performance Measures

- Percent employees with current performance expectations
- Employee survey ratings on "productive workplace" questions
- Overtime usage
- Sick leave usage Number & type of non-disciplinary grievances and disposition

Percent employees with current performance expectations

98.8%

Analysis:

- The rate of employees with current workforce expectations is up 4.2% from FY05.

Action Steps:

- Additional focus on this measure during agency Performance Development training in FY07.
- Monitor completion of performance expectations and provide consultation to managers and supervisors.

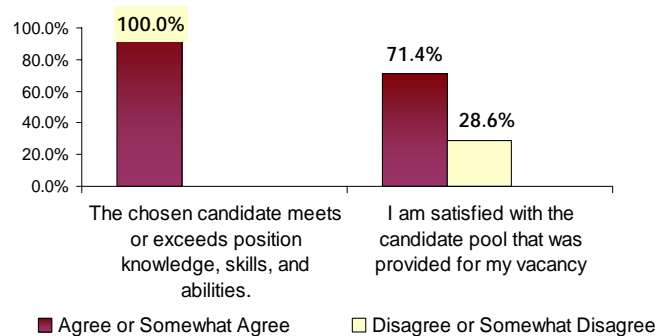
Hire Workforce

Right People in the Right Job at the Right Time

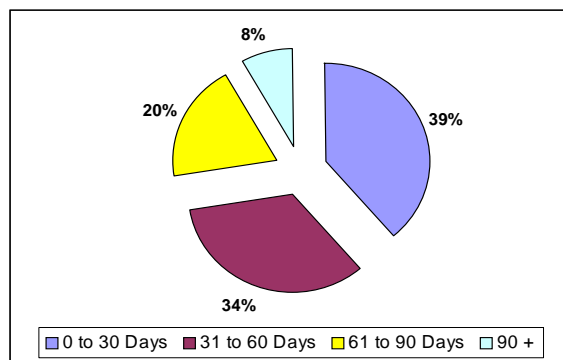
Performance Measures

- Days to fill vacancies
- % satisfaction with candidate quality
- % new hires; % promotional hires
- % separation during review period

Percent Satisfaction with Candidate Quality 4th Quarter FY06

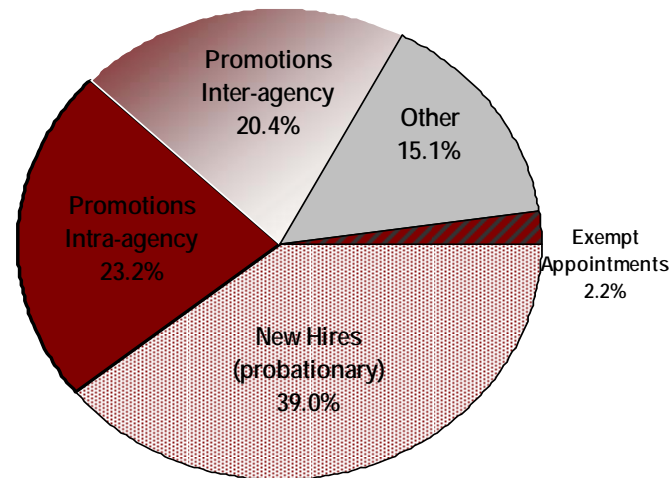


Time to Fill FY06

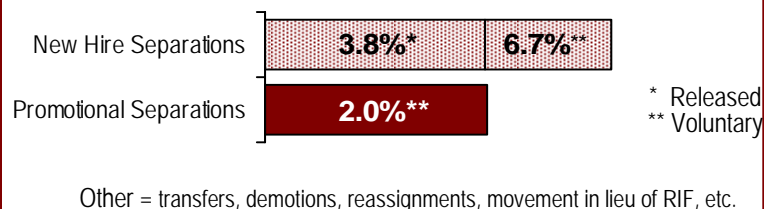


Agency time to fill measured from opening date of job announcement to the appointment date of the selected candidate

Hiring Balance - FY 2006 Total of 509 appointments



Separation during Review Period



Analysis:

- Utilized internal survey tool to gather data on satisfaction of candidate quality and days to fill.
- Average time to fill is 51 days, compared to average 70 days to fill vacancies reported in 2003 Mercer Benchmark Study.
- A majority of turnover during probationary period occurred for in-training appointments.

Action Steps:

- Place job notices with public radio and television stations targeting financial programs.
- Create incentives for employee referrals.
- Maximize candidate pool for quality candidates within the new state E-Recruiting system.
- Establish goals for decreasing time to fill for those positions taking 60 or more days to fill.
- Establish goals to increase quality in candidate pools.
- Partner with colleges and universities to identify potential candidates.
- Analyze turnover data for separations during probationary status to determine course of action.

Deploy Workforce |

Employee time and talent is used effectively.
Employees motivated.

Performance Measures

- Percent employees with current performance expectations
- Employee survey ratings on "productive workplace" questions
- Overtime usage
- Sick leave usage Number & type of non-disciplinary grievances and disposition

Overall average score for "productive workplace" questions is 3.9



Analysis:

- The results of the 2006 DOP Climate Survey, 2005 DOR Employee Satisfaction Survey, and 2006 Agency Self-Assessment are consistent.
- Priorities for improving agency performance identified through integrated processes (employee feedback sessions and focus groups, and agency leadership committees.)
- Communication and retention emerged as immediate opportunities for improvement.

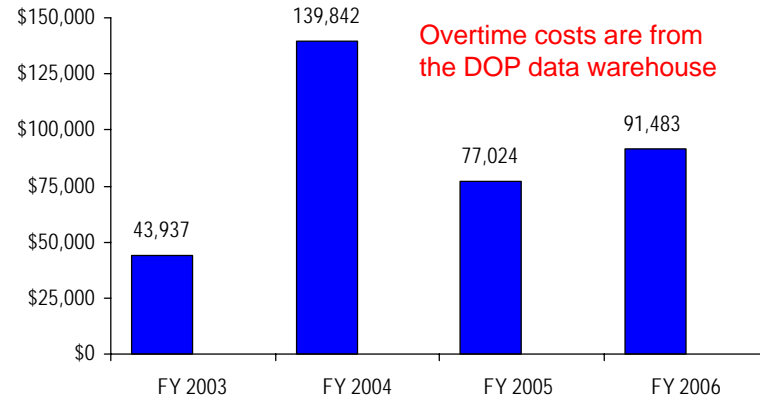
Action Steps:

- Agency divisions identified three priorities for improvement based upon survey results. These will be available agency-wide on the intranet and each division is responsible for implementing action plans for improvement. (*October 2006 completion*)
- Senior leadership identified the agency's priorities as communication and retention. Agency leadership committees outlined recommendations for improvement. (*September 2006 completion*)
- The Strategic Business Plan initiative, *Agency Communication*, will convene an interdivisional quality team to address the multifaceted issue of communication. (*November 2006 commencement*)

Performance Measures

- Percent employees with current performance expectations
- Employee survey ratings on "productive workplace" questions
- Overtime usage
- Sick leave usage
- Number & type of non-disciplinary grievances and disposition

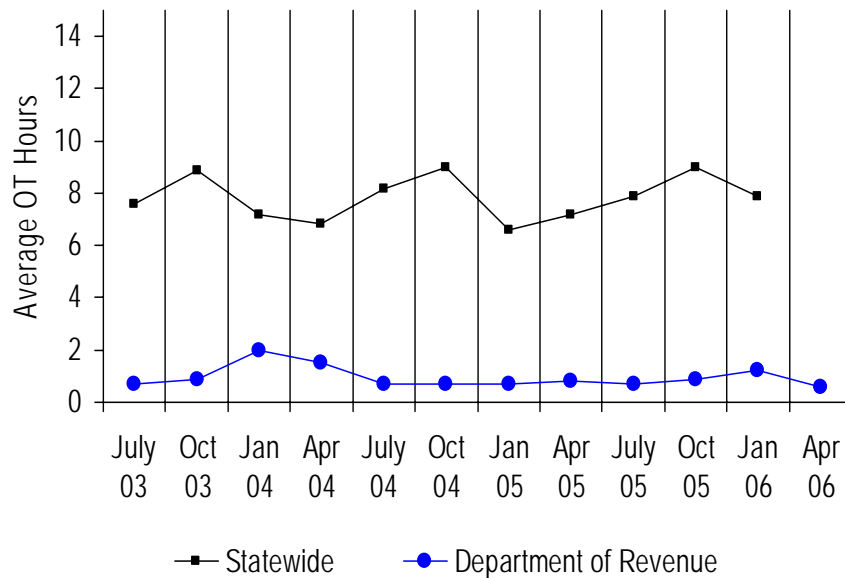
Dept. of Revenue Overtime Costs



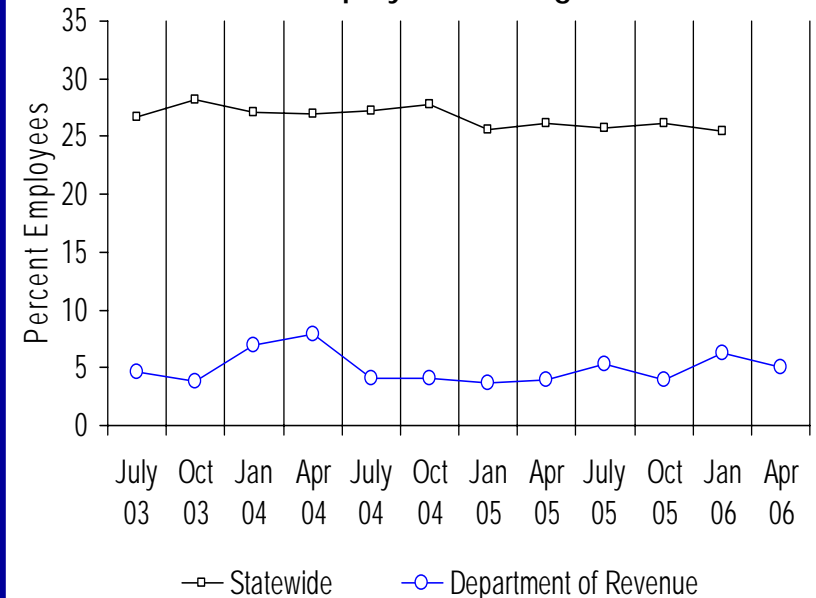
Analysis/Action Steps:

- FY2004 increase in overtime costs resulted from a computer system issue which resulted in the need for additional staff time.
- Overtime costs appear to be trending upward. The monthly budget review performed by the agency includes the impact of overtime costs.

Average Overtime Hours (per capita)



Percent Employees Getting Overtime



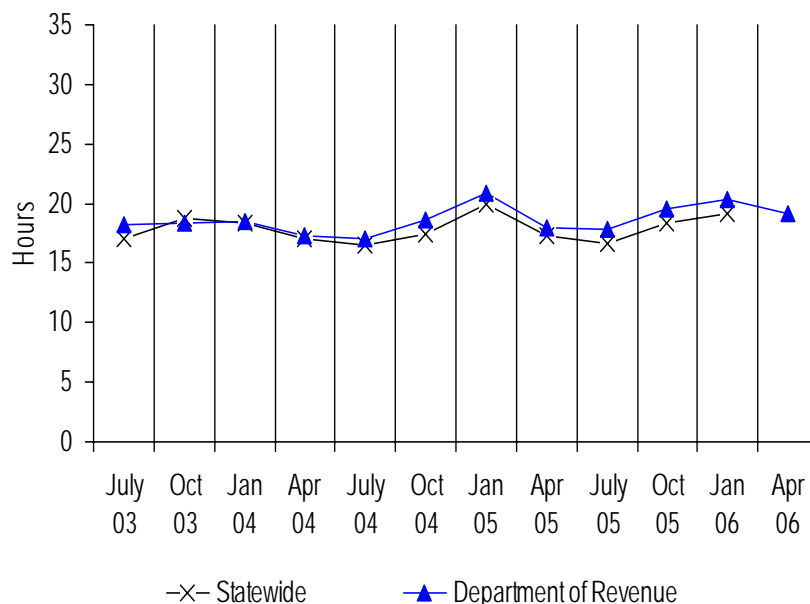
Deploy Workforce |

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Performance Measures

- Percent employees with current performance expectations
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Average Sick Leave Use
(per capita)



Analysis/Action Steps:

- Wellness committee is being established.
- The agency plans to better engage employees in Wellness Programs to target sick leave use for personal illness reasons.

	Per Capita Sick Leave Use		Just Those Who Took Sick Leave	
	Ave. Sick Leave Hours Used per Qtr*	% of Earned Sick Leave	Ave. Sick Leave Hours Used per Qtr*	% of Earned Sick Leave
Statewide	17.9 hours	74%	22.9 hours	95%
Dept. of Revenue	18.6 hours	78%	21.7 hours	91%

* Average since July 03

Agency sick leave hours for the quarter starting April 2006 have been estimated using a factor of 1.49. The number of employees using sick leave for the same quarter is the average of the 4th quarter of FY2003, 2004 & 2005.

Deploy Workforce |

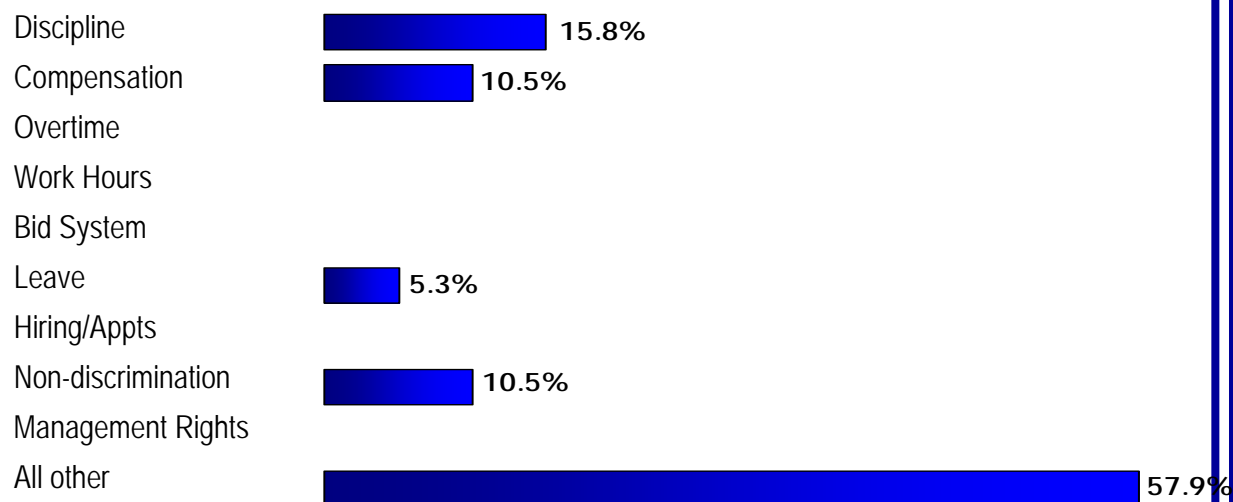
Employee time and talent is used effectively.
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Performance Measures

- Percent employees with current performance expectations
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Type of Grievances (July 2005 – June 2006)



Grievance Disposition

- One disciplinary grievance awaiting Pre-arbitration Review Meeting.
- One disciplinary grievance awaiting mediation.
- Two leave grievances awaiting arbitration.
- One grievance awaiting step 3 response.
- Fourteen grievances were resolved, withdrawn or not moved by the union after the expiration of the timelines.

Develop Workforce |

Employees have competencies for present job and future advancement

Performance Measures

- Percent employees with current annual individual development plans
- Employee survey ratings on "learning & development" questions

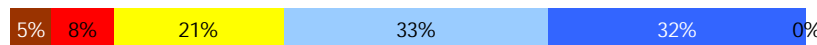
Percent employees with current Individual Development Plans

97.2%

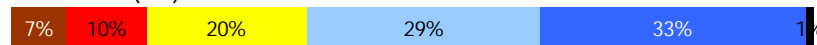
Overall average score for "Learning & Development" questions is **3.8**

Employee perceptions on learning and development

Q5. I have opportunities at work to learn and grow. (3.8)



Q8. My supervisor gives me ongoing feedback that helps me improve my performance. (3.7)



■ Never ■ Seldom ■ Occasionally ■ Usually ■ Always

Analysis:

- The rate of employees with current Individual Development Plans increased 6.2% from FY05.
- Increase in the completion rate for this measure is attributed to Director level expectations of completing evaluations.

Action Steps:

- Senior leadership continues to make professional learning and growth a high priority. Recently, a significant increase in the agency's tuition reimbursement allowance was approved.
- Provide training to supervisors and managers through our Performance Development Plan training in FY07.
- Continue to provide periodic Performance Evaluation Tracking System notices to each division.

Reinforce Performance |

Successful performance is differentiated & strengthened. Employees are held accountable.

Performance Measures

- Percent employees and managers with current annual performance evaluations
- Employee survey ratings on "performance and accountability" questions
- Number and type of disciplinary issues, actions, appeals disposition

Percent employees with current performance evaluations

100%

Do employees see a meaningful linkage between their performance and the success of the organization?

Q3. I know how my work contributes to the goals of my agency. (4.3)



Q10. My performance evaluation provides me with meaningful information about my performance. (3.5)



Q11. My supervisor holds me and my co-workers accountable for performance. (4.2)



Q9. I receive recognition for a job well done (3.4)



■ Never ■ Seldom ■ Occasionally ■ Usually ■ Always

Overall average score for "performance & accountability" questions is **3.8**

Analysis:

- The 100% completion rate in FY06 is due to the agency Director issuing an expectation that all outstanding evaluations were to be completed by June 30, 2006.
- 100% of employee evaluations were completed during FY06, up 1.8% from FY05.

Action Steps:

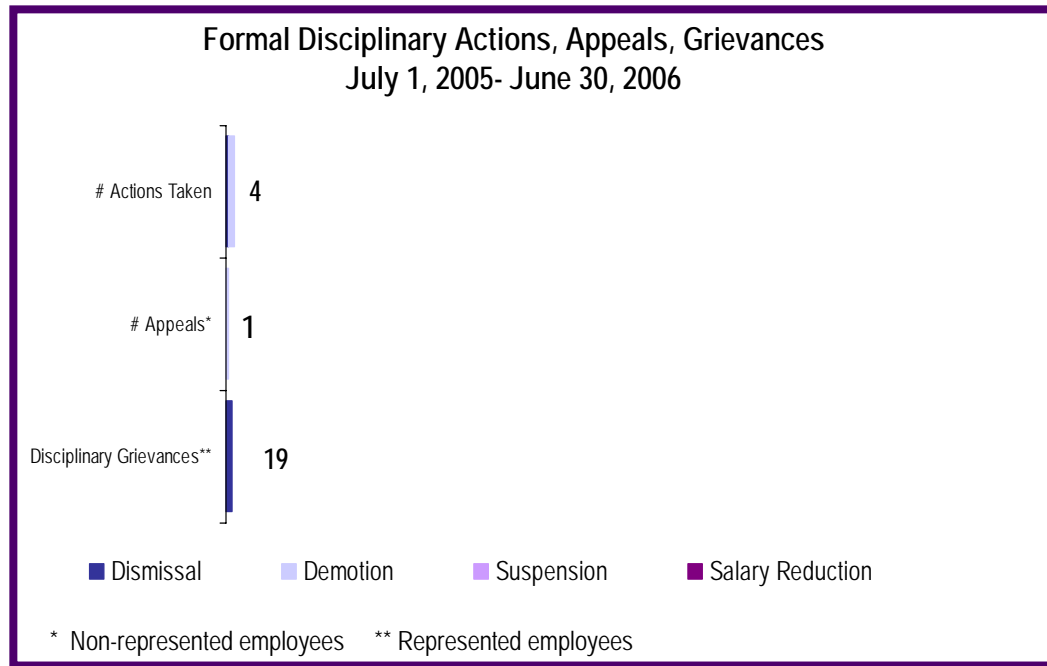
- Agency Director will continue with expectation that all evaluations will be completed.
- Provide training to supervisors and managers through our Performance Development Plan training in FY07.
- Continue to provide periodic status reports of evaluation due dates to divisions.

Reinforce Performance |

Successful performance is differentiated & strengthened. Employees are held accountable.

Performance Measures

- Percent employees and managers with current annual performance evaluations
- Employee survey ratings on "performance and accountability" questions
- Number and type of disciplinary issues, actions, appeals disposition



Analysis:

- The Department of Revenue had a total of four actions taken: one dismissal and three demotions.

Issues Leading to Disciplinary Action

- Performance
- Confidentiality
- Attendance

Disposition of Disciplinary-related Grievances or Appeals

- One disciplinary grievance awaiting PARM.
- One disciplinary grievance awaiting mediation.
- Two leave grievances awaiting arbitration.
- One grievance awaiting step 3 response.
- Fourteen grievances were resolved, withdrawn or not moved by the union after the expiration of the timelines.

Action Steps:

- Continue educating supervisors and managers through the Supervisory HR Core Competency Program.

Ultimate Outcomes

State has workforce breadth & depth for present & future success.

Employees are committed to the work they do and the goals of the organization.

Successful, productive employees are retained.

Performance Measures

- Employee survey ratings on "commitment" questions
- Turnover rates and types (e.g., retirement, resignation, etc.)
- Turnover rate of key occupational categories - TBD
- Diversity profile [& turnover TBD]

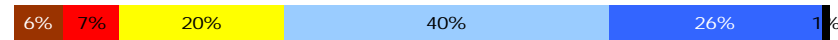
Overall average score for "performance & accountability" questions is **3.8**

Indicators of Employee Commitment

Q3. I know how my job contributes to the goals of my agency. (4.3)



Q12. I know how my agency measures its success. (3.7)



Q9. I receive recognition for a job well done (3.4)



■ Never ■ Seldom ■ Occasionally ■ Usually ■ Always

Analysis:

- Aligning with the priorities from the Agency Self-Assessment, DOR is committed to improving communication about performance measures and the Agency Vision.

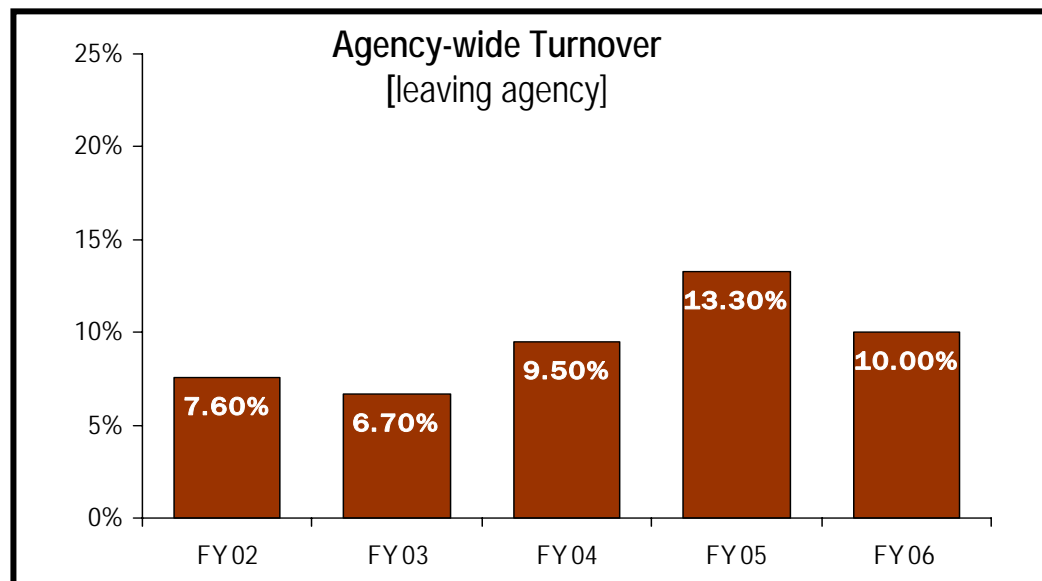
Action Steps:

- Created a Strategic Business Plan initiative, *Agency Communication*, and will convene an interdivisional quality team to address communication. (*November 2006, commencement*)
- Conduct a marketing campaign to reinvigorate, educate, and promote participation in the agency-wide recognition program. (*December 2006*)
- Implement agency plan to cascade goals identified in the Strategic Business Plan down to the employee level.

Ultimate Outcomes | continued

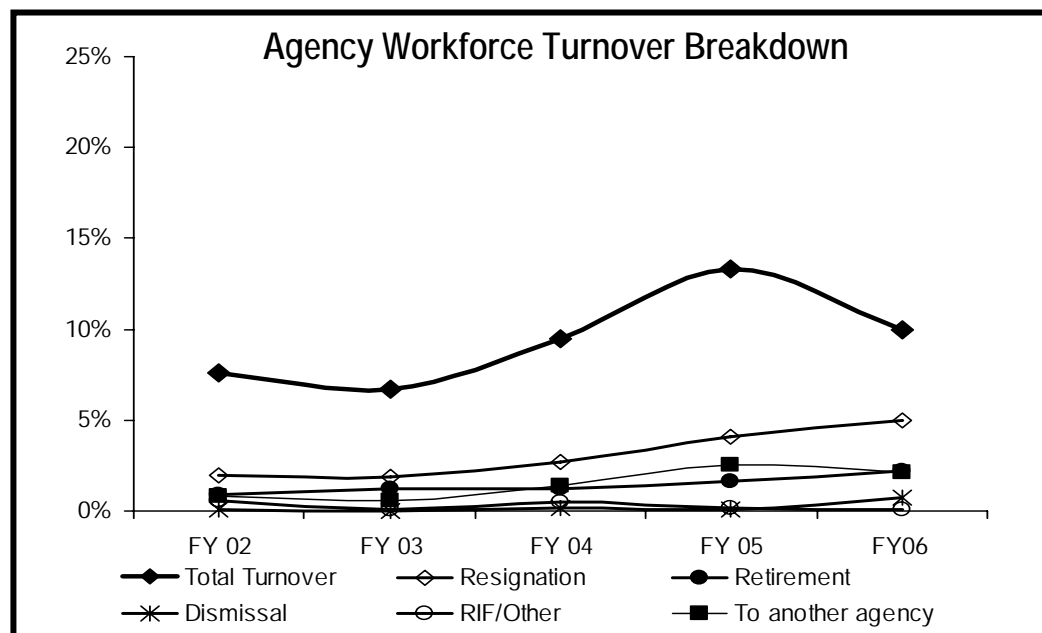
Performance Measures

- Employee survey ratings on "commitment" questions
- Turnover rates and types (e.g., retirement, resignation, etc.)
- Turnover rate of key occupational categories - TBD
- Diversity profile [& turnover TBD]



Analysis:

- Agency-wide turnover decreased 24.8% between FY05 and FY06.
- In FY06, retirements made up 21.8% of the total turnover rate.
- Retirement projections over the next five years indicate that an average of 20.7 employees are eligible to retire each year.



Action Steps:

- Develop Strategic Succession Plan.
- Provide more opportunities for employee internal cross-training to promote transference of knowledge and encourage both vertical and horizontal staff opportunities.
- Collaborate with other state agencies to identify potential opportunities to improve retention.
- Direct resources to high turnover areas.
- Continue to implement 10-point Recruitment & Retention Plan.

Ultimate Outcomes | continued

Performance Measures

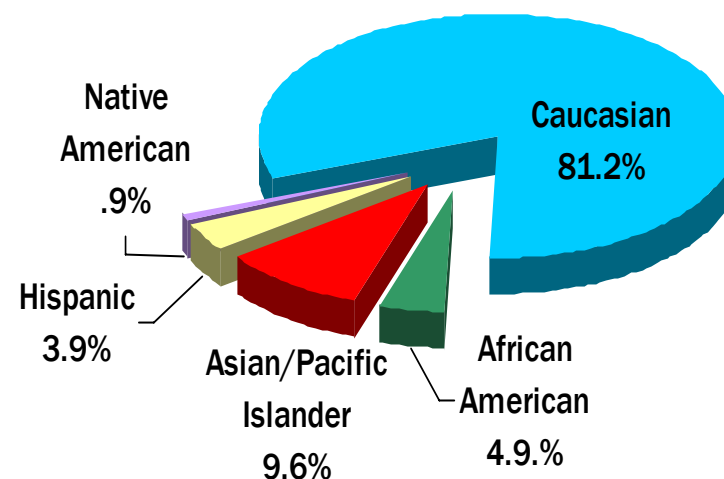
- Employee survey ratings on "commitment" questions
- Turnover rates and types (e.g., retirement, resignation, etc.)
- Turnover rate of key occupational categories - TBD
- Diversity profile [& turnover TBD]

Diversity Profile	DOR	State
Women	56.1%	52.0%
Persons with disabilities	4.3%	5.0%
Vietnam Veterans	4.4%	7.0%
Disabled Veterans	1.3%	2.0%
Persons over 40	65.2%	76.0%
People of color	18.8%	17.5%

Notes:

- Total agency diversity increased in FY06. Agency will continue efforts to increase diversity.
- Continue review of quarterly diversity reports and targeted recruiting for divisions to assist in meeting diversity goals.
- Periodically review hiring practices to maintain high standards of fair and equitable treatment of candidates throughout the hiring process.
- Demonstrate senior leadership and management commitment to recruit, promote, and retain employees of diverse backgrounds through Strategic Business Plan goal.

Department of Revenue



WA State Government

